

## Message Text

CONFIDENTIAL

PAGE 01 SANTIA 07225 291905Z

60

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

CIEP-01 LAB-04 SIL-01 OMB-01 INT-05 GSA-01 /090 W

----- 051241

R 291820Z OCT 75

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 5412

C O N F I D E N T I A L SANTIAGO 7225

E. O. 11652: GDS

TAGS: EFIN, EMIN, CI

SUBJECT: CHILEANS APPLY "HARD SELL" TO ANACONDA MISSION

1. ENCOURAGED TO DO SOM BY GOC, AN ANACONDA COPPER COMPANY MISSION COMPOSED OF PAUL BILGORE, GEORGE WUNDER, AND ALBERT LEADER IS SPEDNING APPROXIMATELY ONE WEED IN CHILE FOR COMPREHENSIVE AND WELL PUBLICIZED DISCUSSIONS WITH GOC OFFICIALS.

2. TALKS HAVE CENTERED ON TWO AREAS OF POSSIBLE ANACONDA ACTIVITY. SFIRST IS TO EXPLORE FOR URANIUM DIPOSITS WHICH MAY LOCAL MINING MEN FEEL WILL BE FOUND IN ABUNDANCE IN CHILE. ANACONDA HAS EXPRESSED GENERAL INTEREST, BUT BILGORE HAS TOLD AMBASSADOR THAT THEY UNDERSTAND THEY ARE ONLY ONE OF SEVERAL COMAPNIES, AMERICAN ANF FOREIGN, WHO MIGHT COMCLUDE ARRANGMENTS WITH GOC FOR EXPLORATION WORK.

3. SECOND AREA OF POTENTIAL ACTIVITY ON WHICH ANACONDA REPS WERE HARD PRESSED BY GOC OFFICIALS, HEADED BY RAUL SAEZ, WAS FOR REENTRY INTO FIELD OF COPPER PRODUCTION. BILGORE TOLD AMBASSADOR THAT SAEZ WENT OVER WITH ANACONDA REPS A LARGE LIST OF POTENTIAL PROPERTIES READY IN GOC'S OPINION FOR EXPLOITATION. FOR THE LARGEST, EL ABRA, SAEZ BROACHED THE POSSIBILITY OF A TYPE OF INTERNATIONAL CONSORTIUM SIMILAR TO THAT BEING CONSIDERED BY THE TEMPELSMAN  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SANTIA 07225 291905Z

INTERESTS. BILGORE SAID ANACONDA WAS DEFINITELY NOT INTERESTED

IN MASSIVE INVESTMENT IN CHILEAN COPPER AT THIS TIME.

4. AS AN ALTERNATIVE, HOWEVER, BILGORE SEEMED TO BE INTRIGUED BY THE POSSIBILITY OF ANACONDA REENTRY INTO CHILE ON A SMALL SCALE. HE FEELS THE COMPANY HAS MUCH TO TEACH THE CHILEANS IN THE AREA OF EFFICIENT PRODUCTION. HE THEREFORE DOES NOT EXCLUDE ANACONDA PARTICIPATION IN OPENING OR EXPANDING SMALL PROPERTIES, USING FOR THE PURPOSE PRINCIPALLY CERTAIN BALANCES OWING TO ANACONDA WHICH CANNOT BE REPATRIATED TO US.

5. BILGORE STRESSES THAT IN SPITE OF APPARENT EXTREME EAGERNESS OF CHILEANS TO MOVE RAPIDLY TOWARD SOME SORT OF AGREEMENT WITH ANACONDA, THE COMPANY WOULD WANT TO STUDY THE SITUATION CAREFULLY BEFORE MAKING ANY SPECIFIC PROPOSAL. THUS, DESPITE LUNCH WITH PINOCHET AND OTHER RED-CARPET TREATMENT, GOVERNMENT-HOSTED VISIT TO CHILEAN FACILITIES, AND ROUND-TABLE MEETINGS WITH GOVERNMENT PERSONNEL, BILGORE LEAVES TOWN WITHOUT ANY COMMITMENTS.

6. COMMENT: TWO ASPECTS OF THIS MATTER SEEM TO US WORTH FLAGGING. FIRST, IF AS CHILEANS HAVE BEEN TELLING US THERE REALLY IS A GOOD CHANCE OF FINDING SUBSTANTIAL URANIUM DEPOSITS IN CHILE, WOULD IT NOT BE IN US INTEREST TO ENCOURAGE AMERICAN PARTICIPATION IN EXPLORATION AND DEVELOPMENT? ASSUMING THERE WILL BE A SHORTAGE OF URANIUM FROM US DOMESTIC SOURCES, IT WOULD SEEM DESIRABLE TO ENCOURAGE US COMPANIES TO LAY GROUNDWORK FOR EASY ACCESS TO FOREIGN SUPPLIES IN YEARS AHEAD.

7. SECOND POINT TO BE NOTED IS WAY IN WHICH CHILEANS HAVE BEEN COURTING -- IT IS NOT TOO STRONG A WORD -- ANACONDA REPRESENTATIVES. WE JUDGE THAT GOC HAS EITHER DECIDED THAT MORE AGGRESSIVE APPROACH TO US BUSINESS WOULD BE HELPFUL TO IT IN THE US, OR THAT IT HAS BECOME MORE IMPRESSED WITH ITS NEED FOR FOREIGN INVESTMENT FOR INTERNAL GROWTH AND PROSPERITY, LONG-RANGE AS SUCH DEVELOPMENT MUST BE. FROM CHILEAN STANDPOINT, BOTH CONSIDERATIONS MAKE GOOD SENSE.  
POPPER

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** URANIUM, EXPLORATION, TRADE VISITS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975SANTIA07225  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750375-1032  
**From:** SANTIAGO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975109/aaaaaiaw.tel  
**Line Count:** 97  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 05 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <05 SEP 2003 by ElyME>; APPROVED <19 NOV 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CHILEANS APPLY "HARD SELL" TO ANACONDA MISSION  
**TAGS:** EFIN, EMIN, CI, US, ANACONDA COPPER COMPANY, (BILGORE, PAUL), (WUNDER, GEORGE), (LEADER, ALBERT)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006